

REMARKS

This application was originally filed on 13 October 1998 with forty two claims, five of which were written in independent form. Claims 20, 41, and 42 were canceled and Claim 28 amended by amendment filed on 9 May 2003. Claims 1-19 and 21-40 are pending. Claims 1-19 and 21-24 have been allowed.

Claim 25 was rejected under 35 U.S.C. § 102(b) as being anticipated by U.S. Patent No.4,593,353 to Pickholz. The applicant respectfully disagrees.

"A person shall be entitled to a patent unless," creates an initial presumption of patentability in favor of the applicant. 35 U.S.C. § 102. "We think the precise language of 35 U.S.C. § 102 that, "a person shall be entitled to a patent unless," concerning novelty and unobviousness, clearly places a burden of proof on the Patent Office which requires it to produce the factual basis for its rejection of an application under sections 102 and 103, see *Graham and Adams*." *In re Warner*, 379 F.2d 1011, 1016 (C.C.P.A. 1967) (referencing *Graham v. John Deere Co.*, 383 U.S. 1 (1966) and *United States v. Adams*, 383 U.S. 39 (1966)). "As adapted to *ex parte* procedure, *Graham* is interpreted as continuing to place the 'burden of proof on the Patent Office which requires it to produce the factual basis for its rejection of an application under sections 102 and 103'." *In re Piasecki*, 745 F.2d 1468 (Fed. Cir. 1984) (citing *In re Warner*, 379 F.2d at 1016).

"The *prima facie* case is a procedural tool which, as used in patent examination (as by courts in general), means not only that the evidence of the prior art would reasonably allow the conclusion the examiner seeks, but also that the prior art compels such a conclusion if the applicant produces no evidence or argument to rebut it." *In re Spada*, 911 F.2d 705, 708 n.3 (Fed. Cir. 1990).

The applicant respectfully submits the Examiner has failed to meet the burden of proof required to establish a *prima facie* case of anticipation. Section 2131 of the Manual of Patent Examiner's Procedure provides:

"A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described in a single prior art reference." *Verdegaal Bros. v. Union Oil Co. Of California*, 814 F.2d 628, 631, 2 USPQ2d 1051, 1053, (Fed. Cir. 1987). "The

identical invention must be shown in as complete detail as contained in the . . . claim.”

Richardson v. Suzuki Motor Co., 868 F.2d 1226, 1236, 9 USPQ2d 1913, 1920 (Fed. Cir. 1989).

The elements must be arranged as in the claim under review. *In re Bond*, 910 F.2d 831, 15 USPQ2d 1566 (Fed. Cir. 1990).

Pickholtz does not show, teach, or suggest “a secure data storage medium comprising a digital storage medium . . . and an identification system module.” The Examiner stated, “Pickholtz discloses . . . an identification system module corresponding to the digital storage medium, the identification system module containing an authorization code describing which media players are authorized to read digital data from the digital storage medium (see., abstract, col 2, lines 26-42, col 3, lines 1-36, specifically wherein it is stated that a hardware module containing a pseudorandom number generator unique to the authorized system receives the first authorization code as a key, and the step of describing which media players are authorized is interpreted as wherein said if there is a favorable comparison, an execute enable signal is generated to enable the software to be executed in the system or in the media players).”

Claim 25 recites, “A secure data storage medium comprising: a digital storage medium for storing digital data; and an identification system module corresponding to said digital storage medium, said identification system module containing an authorization code describing which media players are authorized to read digital data from said digital storage medium.”

The Examiner appears to confuse “A secure data storage medium comprising . . . an identification system module” as recited by Claim 25 with the combination of a “a magnetic disc or other storage medium” and “a hardware module connected in circuit with the data processing system.” Thus, the Examiner’s rejection fails to establish a prima facie case of anticipation as Pickholtz teaches the combination of “a magnetic disc or other storage medium” that is read by “an authorized data processing system” and fails to show, teach, or suggest a “data storage medium comprising . . . identification system module” as recited by Claim 25.

The Examiner stated “the step of describing which media players are authorized is interpreted as wherein said if there is a favorable comparison, an execute enable signal is generated to enable the software to be executed in the system or in the media players.” The applicant submits the Examiner has failed to consider each and every element of Claim 25 as

required by *Verdegaal Bros., Richardson, and In re Bond*. Claim 25 recites a “secure data storage medium comprising” an “identification system module containing an authorization code describing which media players are authorized to read digital data from said digital storage medium.” This cannot be equated with a storage medium and a processing system in which the processing system uses data stored on the medium to determine whether it is authorized to execute additional code stored on the medium as either the medium or the processing system rather than the “identification system module” portion of the “secure data storage medium” stores the “authorization code” recited by Claim 25.

The passages cited by the Examiner do not support the Examiner’s transformation of the teachings of Pickholtz to the recited elements of Claim 25, nor is there any basis or suggestion in the prior art to support this interpretation of the prior art. The Examiner’s rejection is unsupported by the prior art, fails to establish a prima facie case of anticipation, and therefore should be withdrawn.

Claim 26 was rejected under 35 U.S.C. § 102(b) as being anticipated by Pickholz. The applicant respectfully disagrees. Claim 26 depends from Claim 25 and should be deemed allowable for that reason and on its own merits. For the reasons argued above with respect to Claim 25, the prior art of record does not show, teach, or suggest the limitations of Claim 25, much less the limitations of Claim 25 in combination with the additional elements of Claim 26.

Claim 27 was rejected under 35 U.S.C. § 102(b) as being anticipated by Pickholz. The applicant respectfully disagrees. Claim 27 depends from Claim 25 and should be deemed allowable for that reason and on its own merits. For the reasons argued above with respect to Claim 25, the prior art of record does not show, teach, or suggest the limitations of Claim 25, much less the limitations of Claim 25 in combination with the additional elements of Claim 27. Specifically, Pickholtz does not show, teach, or suggest an “identification system module comprising a TIRIS transponder” as recited by Claim 27. Furthermore, the Examiner has not attempted to read the teachings of Pickholtz onto the limitations of Claim 27. The Examiner’s rejection is unsupported by the prior art, fails to establish a prima facie case of anticipation, and therefore should be withdrawn.

Claim 28 was rejected under 35 U.S.C. § 102(b) as being anticipated by Pickholtz. The applicant respectfully disagrees. Claim 28 depends from Claim 25 and should be deemed allowable for that reason and on its own merits. For the reasons argued above with respect to Claim 25, the prior art of record does not show, teach, or suggest the limitations of Claim 25, much less the limitations of Claim 25 in combination with the additional elements of Claim 28. Specifically, Pickholtz does not show, teach, or suggest an "identification system module comprising a radio frequency transponder" as recited by Claim 28. Furthermore, the Examiner has not attempted to read the teachings of Pickholtz onto the limitations of Claim 28. The Examiner's rejection is unsupported by the prior art, fails to establish a prima facie case of anticipation, and therefore should be withdrawn.

Claim 29 was rejected under 35 U.S.C. § 102(b) as being anticipated by Pickholtz. The applicant respectfully disagrees. Claim 29 depends from Claim 25 and should be deemed allowable for that reason and on its own merits. For the reasons argued above with respect to Claim 25, the prior art of record does not show, teach, or suggest the limitations of Claim 25, much less the limitations of Claim 25 in combination with the additional elements of Claim 29. Specifically, Pickholtz does not show, teach, or suggest "said identification system stores usage information" as recited by Claim 29. Furthermore, the Examiner has not attempted to read the teachings of Pickholtz onto the limitations of Claim 29. The Examiner's rejection is unsupported by the prior art, fails to establish a prima facie case of anticipation, and therefore should be withdrawn.

Claim 30 was rejected under 35 U.S.C. § 102(b) as being anticipated by Pickholtz. The applicant respectfully disagrees. Claim 30 depends from Claim 29 and should be deemed allowable for that reason and on its own merits. For the reasons argued above with respect to Claim 29, the prior art of record does not show, teach, or suggest the limitations of Claim 29, much less the limitations of Claim 29 in combination with the additional elements of Claim 30. Specifically, Pickholtz does not show, teach, or suggest said identification system stores usage information "wherein said usage information comprises information concerning the number of time said digital data has been read" as recited by Claim 30. Furthermore, the Examiner has not attempted to read the teachings of Pickholtz onto the limitations of Claim 30. The Examiner's

rejection is unsupported by the prior art, fails to establish a prima facie case of anticipation, and therefore should be withdrawn.

Claim 31 was rejected under 35 U.S.C. § 102(b) as being anticipated by Pickholz. The applicant respectfully disagrees.

Claim 31 recites, "A method of securely distributing digital data, said method comprising: writing digital data onto a digital storage medium; attaching an identification system module to said digital storage medium, said identification system module containing an authorization code indicating which media readers are authorized to read said digital storage medium; and transferring said digital storage medium to a user." The Examiner has not attempted to read the teachings of Pickholtz onto the limitations of Claim 31 and has therefore failed to meet the burden of proof required to establish a prima facie case of anticipation. The Examiner's rejection is unsupported by the prior art, fails to establish a prima facie case of anticipation, and therefore should be withdrawn.

Claims 32-40 were rejected under 35 U.S.C. § 102(b) as being anticipated by Pickholz. The applicant respectfully disagrees. Claim 32-40 depend from Claim 31 and should be deemed allowable for that reason and on their own merits. For the reasons argued above with respect to Claim 31, the prior art of record does not show, teach, or suggest the limitations of Claim 31, much less the limitations of Claim 31 in combination with the additional elements of Claims 32-40. The Examiner has not attempted to read the teachings of Pickholtz onto the limitations of Claims 32-40 and has therefore failed to meet the burden of proof required to establish a prima facie case of anticipation. The Examiner's rejection is unsupported by the prior art, fails to establish a prima facie case of anticipation, and therefore should be withdrawn.

In view of the amendments and the remarks presented herewith, it is believed that the claims currently in the application accord with the requirements of 35 U.S.C. § 112 and are allowable over the prior art of record. Therefore, it is urged that the pending claims are in condition for allowance. Reconsideration of the present application is respectfully requested.

Respectfully submitted,



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